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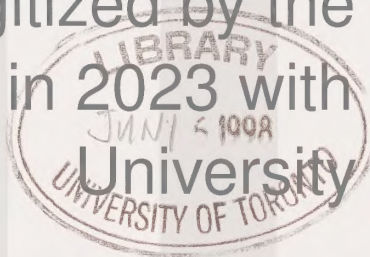
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TABLE OF CONTENTS

GEOGRAPHY	1
DEMOGRAPHICS	2
ECONOMIC OVERVIEW	3
POLITICAL OVERVIEW	4
TRADE POLICY	5
HOUSING SECTOR	6
Overview	6
State of the Local Housing Market	6
Local Technology	6
HOUSING MARKET ACTIVITY, NEED AND DEMAND	8
Local Housing Activities	8
Factors Affecting the Demand for Housing	9
EXPORT OPPORTUNITIES AND STRATEGIES	10
Canadian Trade Patterns	10
Local Industry and Foreign Competition	11
Opportunities	11
Canadian Strengths and Weaknesses	11
Strategic Approach	12
BUSINESS ENVIRONMENT	13
Overview	13
Business Customs	13
Business Infrastructure	14
Distribution and Sales Channels	14
Joint Venture and Licensing	15
Establishing an Office	15
Selling Factors and Techniques	15

Advertising and Trade Promotion	16
Government Procurement	16
Protecting Your Intellectual Property	16
Need for Local Legal Assistance	17
Regulatory Issues	17
EDC Financial Risk Assessment	17
CONTACTS	20

LIST OF TABLES

Table 1:	Housing Completions and Forecasts (in thousands)	8
Table 2:	Major Canadian Exports to France	10
Table 3:	Major Canadian-manufactured Products Exported to France	10
Table 4:	Trade Patterns Between Canada and France, 1992-95	10
Table 5:	Fastest Growing Categories of Products Among Total Imports, 1992-95 .	11
Table 6:	Holidays	13

GEOGRAPHY

France is located in Western Europe, bordering the Bay of Biscay and English Channel, between Belgium and Spain, southeast of the U.K.; and bordering the Mediterranean Sea, between Italy and Spain. The total area of France is 547,030 km². The land area is 545,630 km². France's land boundaries total 2,892.4 km, shared with Andorra (60 km), Belgium (620 km), Germany (451 km), Italy (488 km), Luxembourg (73 km), Monaco (4.4 km), Spain (623 km), and

Switzerland (573 km). The climate of France is generally cool winters and mild summers, but mild winters and hot summers along the Mediterranean. The terrain is mostly flat plains or gently rolling hills in the north and west; the remainder is mountainous, especially Pyrenees in the south, and the Alps in the east. The natural resources of France include coal, iron ore, bauxite, fish, timber, zinc, and potash.



DEMOGRAPHICS

The population of France reached 58.1 million in 1995. Nineteen percent of the population is under 14 years old, 65 percent is between 15-64 years, and 16 percent is 65 years and over. The population growth rate is 0.46 percent. The birth rate is 1.3 births per 100 population. The death rate is .929 deaths per 100 population. The net migration rate is 0.86 migrants per 1,000 population. The nationality is French. Ethnic divisions include

Celtic and Latin, with Teutonic, Slavic, North African, Indochinese, and Basque minorities. Religions include Roman Catholic (90 percent), Protestant (2 percent), Jewish (1 percent), Muslim (North African workers) (1 percent), and unaffiliated (6 percent). The predominant language is French (100 percent), with rapidly declining regional dialects and languages (Provençal, Breton, Alsatian, Corsican, Catalan, Basque, and Flemish).

ECONOMIC OVERVIEW

After a decline in GDP of almost 1 percent in 1993 and modest growth of close to 2 percent in 1994, led mainly by exports and residential real estate purchases, the GDP growth rate rose to 2.4 percent in 1995. Inflation remained modest at 1.8 percent. Unemployment remains the biggest trouble spot in the French economy. The unemployment rate reached 11.6 percent in 1995 and was forecast to increase.

France has a centuries-old tradition of highly centralized administrative and governmental control of its essentially market economy. In 1993, French general government total outlays were 54.3 percent of nominal GDP, compared to 34.5 percent in the United States and 44.9 percent in the United Kingdom. Over the last decade, the government, both Socialist and Centre-Right, has

accepted that reducing government involvement was the best way to spur economic growth and reduce the high unemployment rate.

The French government has in the past subsidized, both directly and indirectly, state-owned firms in all sectors (Air France, Bull, Aerospatiale), particularly those with defence connections or those considered “flagship” national enterprises. While France’s adherence to multilateral trade agreements and European Union standards will preclude certain traditional subsidies, the French government continues to believe that direct subsidies are essential in the transportation sectors. This view has been a source of serious policy differences with France’s European Union partners.

POLITICAL OVERVIEW

France is a democratic republic whose political system is based on a written constitution approved by referendum in 1958. According to the French Constitution, the President of the Republic is elected by direct suffrage every seven years. The President names the Prime Minister, presides over the cabinet, commands the armed forces and concludes treaties. The Prime Minister is also empowered to dissolve the National Assembly and, in certain emergency situations, may assume full power. France's political system is a hybrid of presidential and parliamentary systems, resulting occasionally in the President and Prime Minister being of opposing parties.

The Constitution provides for a bicameral parliament consisting of a National Assembly and a Senate. National Assembly deputies are directly elected by universal suffrage for five-year terms. Senators are indirectly elected for nine-year terms; one third of the Senate is renewed every three years.

The French political spectrum includes five distinct political groups. From right to left, these

are: the extreme right National Front (FN); the neo-Gaullist Rally for the Republic (RPR); the moderate Union for French Democracy (UDF); the Socialist Party (PS); and the Communists (PCF). Numerous smaller parties have variable national political impact.

France and Canada co-operate closely in international organizations such as the United Nations, the G-7, the Organization for Economic Co-operation and Development, the Organization for Security and Co-operation in Europe, the European Bank for Reconstruction and Development, and the Francophonie. The two countries co-operate as well within the framework of international conferences.

France intends to play a more active role in a world that has become multipolar. On a medium-term basis, it wishes to redefine trans-Atlantic ties by framing a new Charter, and its ties with Bonn and London. The definite warming of relations between France and NATO is a step in the same direction. France also wishes to strengthen its ties with the United States.

TRADE POLICY

France and Canada are good business partners. From 1983 to 1993, the value of two-way trade almost doubled; and, in 1995 it reached approximately \$5 billion. Globally, France ranks 5th among Canada's trading partners. It is 6th in the world, both as a destination for Canadian exports (\$1.9 billion in 1995) and as the country of origin of imports to Canada (\$3.1 billion in 1995). Canada has had a trade deficit with France every year since 1983.

France is the 3rd largest source of European investment in Canada and the 5th largest in the

world, after the United States, the United Kingdom, Japan and Germany. Over the last 10 years, the value of French investment in Canada has almost quadrupled, reaching \$5.3 billion and 350 companies in Canada in 1995. Canadian investment in France has followed a similar trend, climbing from \$250 million in 1985 to \$1.9 billion in 1995. France is second only to Britain as the European destination of choice for Canadian direct investment abroad, and ranks 7th globally.

HOUSING SECTOR

Overview

In 1995, France had an estimated 22.7 million households within its population of 58 million inhabitants. In the previous year, a total of 44.05 billion ECU (1 ECU = 6,5826 FF) had been allocated to new housing (20.22 billion ECU), renovation and housing rehabilitation (23.83 billion ECU).

State of the Local Housing Market

The French industry includes approximately 20 local suppliers of wood-frame and prefabricated housing, including Gardavo (Jura), Ossabois (Centre), Levourge, Cuiller (Rouen), Houault (Gerardmer-Groupe Pinault), Coquart (North region of Auxy-le-Château). Houault had been active for some time but has since ceased all activities. All are considered small companies. Coquart employs approximately 40 employees and others are even smaller. French suppliers have progressively grown familiar with the wood-frame technology, which was not the case 15 years ago. These companies, however, can benefit from learning more about and mastering site management. They still experience difficulty in the coordination of various trade workers (electrician, plumber, and insulator) and in their respective work schedules and timeframes. This aspect of the construction process is well under control for Canadian companies which should take advantage of this key element in their efforts to prospect alliances and joint ventures with French companies.

The French wood-frame housing industry is supported by several important organizations such as the *Centre National du Bois* (National Wood Centre), and the *Fédération du Bois-Bâtiment* (Wood Construction Federation) who actively promote wood-frame housing, indistinctly of their origins.

Local Technology

While there is no official data on the building techniques used in France, experience and tradition indicate that concrete blocks and cement

are used as preferred housing materials. It is estimated that wood-frame housing holds a 3 percent share of the overall housing market. For several years now, this share has been decreasing by 1 percent annually.

Household mobility is rather low compared to that of North America. A house is considered part of the family heritage. According to recent surveys, to become an owner-occupant is the aspiration of French citizens. Approximately 70 percent of the population expressed their desire to live in their own detached home.

Presently, high unemployment rates have led to a drastic decrease in demand for new construction projects. Consequently, prices have decreased by 30 to 40 percent in the last 3 to 4 years due to the large stock of unsold properties available on the market.

As experienced in other Western European countries, there is a general tendency in households to focus on the home and personal life. As a result, there has been a significant progression in the "do-it-yourself" housing construction and maintenance areas.

Middle-class market segments seem to be on stand by as they wait for significant signs of economic improvement. People are generally reluctant to invest considering the state of uncertainty that subsides at the employment level.

Meanwhile, upper revenue market segments differ and remain active. This, in turn, frees up the demand for luxury housing.

At the other end of the socio-economic scale, assisted social housing also remains active with the help of favourable government policies.

Wood-frame Housing Market Characteristics

The overall perception of the French with regard to wood-frame housing is rather negative. It is considered as temporary housing and only acceptable as a second home or cottage.

In the 1980s, the French Ministry of Equipment promoted the construction of wood-frame housing

for the social sector. As a result, 15,000 units were built each year, reaching up to 20 percent of the overall new housing completions figure. However, the poor quality of these constructions has left long-lasting bias against wood-frame housing, mainly on the social housing clientele's part who are known to be very traditional in their choice of building materials, namely concrete frame housing.

Conversely, people involved in the promotion of this type of housing in the country say that they are frequently asked for information on where to find wood-frame housing suppliers in France. The wood-frame housing industry would benefit from providing more education on this type of housing. In this respect, the *Conseil National du Bois* (National Wood Council), which specializes in the promotion of wood as a building material, would appear to be a good choice to serve as a definite lever if not a full-fledged partner.

There are very few wood-frame construction projects built each year in specific French regions such as the Jura, Savoie and south of Alsace. Moreover, only a small portion of these have been built by Canadian companies over the last 30 years. Cottages generally face problems with

local authorities responsible for delivering building permits.

General contractors and promoters active on more sizeable constructions such as social housing projects of large apartment buildings show obvious reluctance toward wood-frame housing techniques and products.

Wood-frame housing should target the upper, high-profile market segment whose customers have seen the product introduced elsewhere as a fine and superior product and now believe in its soundness. This type of client generally requires custom-designed products and is reluctant to purchase goods sold in catalogues. The target price range for housing destined to this group could reach the upper 600,000 FF mark instead of the current 400,000 FF (excluding land).

There are some French contractors who do import manufactured housing and kits from North American suppliers. Some adjustments are required in order to adapt products to local standards and tastes, such as smaller housing for smaller sites, site protection, and building permits—all factors subjected to specific approaches adopted by the various local authorities.

HOUSING MARKET ACTIVITY, NEED AND DEMAND

Local Housing Activities

The recession that started in 1990 and reached its peak in 1993 had a strong impact on the French housing market. The rising unemployment rate led to a change of behaviour in households regarding property acquisition. The major consequences were: the owner-occupant ratio, going from 35 percent in 1955, stabilized at 53.6 percent after 25 years of continuous progression; and the mobility of the population became reduced.

New Residential Construction

According to Euroconstruct, 302,000 new dwellings were built in 1994 at a cost of 20.22 billion ECU. This was a 5.7-percent increase over 1993 where new housing had already decreased by 11 percent from the previous year.

New housing forecasts suggest that 1995 would show a 5.3-percent increase over 1994 and a 2.2-percent decrease in 1996 over 1995. This downward trend is expected to maintain its course over the 1996-2000 period by an average of minus 0.1 percent a year. Housing completions and forecasts for the period 1994-2000 are shown in Table 1.

Repair and Maintenance

Since 1990, renovation of the existing housing stock has exceeded the new housing construction figure. Housing rehabilitation work is expected to soar in future years due to a number of factors:

- support of home-savings plans;
- upturn in the demand for existing houses;

- initiatives set out to provide rental public housing and homes for the homeless;
- tax incentives in favour of homeowner/lessors; and
- an imposing housing stock (22 million principal and 2.5 million secondary residences).

Conversely, the market will be caught in the limited growth of household disposable income (1.8 percent from 1994-2000) and the end or curtailment of government assistance due to the implementation of austerity measures because of the national budget deficit.

Housing Components (windows, doors and flooring)

The French market for windows and doors is stagnant because of the general situation of the housing sector. Wood is an important proportion of the components industry, but plastic products, especially PVC, have been competing for 10 years and are rapidly penetrating the French housing market.

The French industry is very active in producing windows and flooring products. These components are mainly manufactured by companies who offer distribution through their local channels. One large company, Lapeyre, is both a manufacturer and distributor.

The Union Nationale de Charpente-Menuiserie (National Joinery Union) provides assistance to its 33,000 member companies (craftsmen and businessmen in the carpentry sector) in the pursuit of their activities. Canadian sash windows are

Table 1:
Housing Completions and Forecasts (in thousands)

Housing	1994	1995	1996	1997	1998	1999	2000
1 + 2 Family dwellings	145.0	145.0	145.0	155.0	157.0	145.0	135.0
Flats dwellings	157.0	145.0	155.0	160.0	158.0	150.0	140.0
Total dwellings	302.0	290.0	300.0	315.0	315.0	295.0	275.0

Source: Euroconstruct, European Construction to 2000, October 1995

totally excluded from this market where casement windows are the only type used in the country.

Housing Extensions (patios, porches and solariums)

Demand for house extensions is progressing rapidly in France as it did in North America. This emerging market is expected to develop in connection with housing extensions and upgrades. Wood is likely to be the preferred material used in the construction of these extensions. Italian companies are currently penetrating the market with the up-scale wood pergolas and verandas and seem to be fairly successful.

As this might merely be a fashion trend, Canadian exporters wishing to offer these products should research the market potential. Some of the required products are supplied via “do-it-yourself” channels. Customers usually get their information on the products from decorating magazines. This could prove to be a good entry in the local market.

Lumber and Other Commodities

The French market is characterized by a strong demand for dried wood classified for its mechanical resistance, like fir and spruce. Canadian exporters have been traditionally active in this market. Canadian, French, and European standards being similar, past efforts by the COFI (Council of Forest Industries) to promote

Canadian wood, namely Red Cedar, within architect circles, have been efficient and supportive toward Canadian companies. Nonetheless, Canadians have seen their market share decrease from 580,000 m³ to 40,000 m³ over the last ten years. Canadians must now face competition from Scandinavia who is taking the market by storm without being subject, as the formers are, to EU regulations requiring heat plant treatment of Canadian “green wood”.

Factors Affecting the Demand for Housing

Over the next 5 years, France is expected to experience moderate demographic growth (0.5 percent annually). An aging population and sharp slow-down in the annual growth of the number of households are predicted to bring figures down to 210,000 per year in the 1995-2000 five-year period, from 248,000 in the 1990-95 period.

The public deficit and debt service have left the French economy struggling. Budget restrictions will be introduced or reinforced in order to break the unfavourable impact of long-term interest rates on growth and employment. These fiscal austerity measures will undoubtedly affect the income of the average household. Economic growth will remain limited at a predicted 2.1 percent per year between 1996 and 2000.

EXPORT OPPORTUNITIES AND STRATEGIES

Canadian Trade Patterns

Canadian public agencies and companies have been supporting the development of wood-frame housing in France for almost 30 years through their active participation to Batimat since 1967. Batimat is France's major housing product exhibition and the event is held every 2 years. Several Canadian success stories have emerged as a result of long-term commitment such as 120 wood-frame houses built in Ligny by the Campeau (Canadian) and Dumez (French) joint venture.

The following are only a few of the Canadian wood-frame housing exporters currently on the French market: Modulex (Québec), Arontec (Québec), Lindall (BC), Panabode (BC).

Among Western European countries, France is Canada's 4th customer for housing-related products. Globally, exports to France have decreased by 15 percent, from US\$53 million in 1992 to US\$45 million in 1995.

In terms of market share, Canada accounted for only 1.22 percent of France's total imports of selected products in 1995, down from 1.6 percent in 1992. France's total imports for selected products totalized US\$3.68 billion in 1995 compared to US\$3.3 billion in 1992, a 12-percent increase.

The bulk of Canadian exports resides in a few categories of products, mostly commodities, as listed in Table 2.

Table 2:
Major Canadian Exports to France

Sawn coniferous wood	35 %	US\$17.8 million
Sawn non-coniferous wood	27 %	US\$9 million
Plywood	29 %	US\$5 million
Non-coniferous veneer	140 %	US\$1.7 million
Shingles and shakes	9 %	US\$1 million

Major Canadian-manufactured products exported to France are shown in Table 3.

Table 3:
Major Canadian-manufactured Products Exported to France

Aluminum doors, windows and frames*	224 %	US\$1.9 million
Electric signalling apparatus**	7 %	US\$1.25 million

* Only 2 percent of total French imports. Fierce competition comes from Italy, Germany and the Netherlands.

** Only 1 percent of total French imports.

Canada's key positions in France are:

- Sawn coniferous wood, which is the most important Canadian export to France with a value of US\$17.8 million in 1995. This constituted 4 percent of the sawn coniferous wood imported by France as compared to 8 percent in 1992. Fierce competition originates from Finland, Sweden and Germany.
- Plywood, with a steady 8-percent market share but growing value: US\$5 million in 1995, a 29 percent increase from 1992.
- Shingles and shakes: In 1995, Canada accounted for 96 percent of this area of French imports but the value exported was only at US\$1 million.

Some trade patterns between Canada and France showed significant growth over the 1992-1995 period, as shown in the following table.

Table 4:
Trade Patterns between Canada and France, 1992-95

Prefabricated buildings	Nil to US\$2.9 million
Kitchen furniture	Nil to US\$0.5 million
Wall-type air conditioning	Nil to US\$0.45 million

With regard to France's overall imports, the fastest growing categories of products over the 1992-1995 period are shown in Table 5.

It should be noted that Canada's presence in these markets is virtually non-existent despite the potential and Canada's success with similar products in other countries.

**Table 5:
Fastest Growing Categories of Products
Among Total Imports, 1992-95**

Wall-type air conditioning	70%	US\$25 million
Other air-conditioning units*	53 %	US\$287 million
Particle board made of wood**	34 %	US\$224 million
Fibreboard	72 %	US\$40 million
Builders' joinery	30 %	US\$92 million
Glass fibre insulation***	11 %	US\$197 million

* The strongest competition for these products originates from Italy, the Republic of Korea and Israel.

** The strongest competition for these products originates from Belgium, Germany and Sweden.

*** The strongest competition for these products originates from Belgium, Italy and Germany.

Local Industry and Foreign Competition

The French housing industry is very competitive and includes many aggressive construction companies that show open reluctance toward wood-frame technologies. With the support of the concrete industry, these companies promote their products through strategic advertising logos (e.g., "*une maison de maçon*" from Bouyges). Swedish companies that tried to compete with Canadian exporters in the wood-frame housing market faced the same difficulty and challenges. The complexity of the French building code is a real challenge to penetrating the housing market. Therefore, a relationship with a local partner possessing an appropriate knowledge of the codes and sub-regional differences is necessary.

Strong competition exists in the windows market sector while it appears weaker for doors. Other European countries, such as Italy, are competing in the window and flooring areas with the help of agency networks. U.S. and Finnish firms are important competitors in the construction components industry. Their penetration strategy relies on joint ventures with local partners. Belgium often serves as a base for their European operations. Austrian and Swiss companies offer flooring and work on a "just-in-time" delivery basis. Germans and Austrians supply doors and windows through their own commercial agency networks.

Opportunities

The French housing market is not easy to penetrate for Canadian exporters. Housing demand is limited, local industry is aggressive and barriers to entry are raised by local and European agencies as well as companies. The current economic situation in France puts even more pressure on the industry. However, there are some market niches that could provide interesting opportunities for Canadian firms. These are conditional to the product support provided by Canadian exporters in terms of appropriate and innovative marketing strategies and channels.

In the wood-frame housing sector, there is an increasing amount of interest toward log homes, as revealed by the frequent requests for information received by the Commercial Office of the Canadian Embassy in Paris. Upscale wood-frame constructions are becoming more popular as luxury housing with the wealthy clientele segment.

The housing components market presently offers interesting opportunities and Canadian exhibitors joining the Batimat have had some positive results:

- There seems to be a comeback for wood flooring.
- The market is currently unfolding for house extensions (verandas, patios, etc.) although Italians are one step ahead, having already landed the French market.
- Large market developments are expected in the areas of renovation, home improvement and extensions (garage, patios, terraces, winter gardens) for which wood is making inroads as a key material.
- The French market shows increasing interest toward central vacuum cleaning systems. Canadian companies were first on this market and are very successful in current exhibitions, particularly in regional exhibitions open to the public.

Canadian Strengths and Weaknesses

The first and foremost characteristic of the housing market in France is the strong competition wood-frame housing manufacturers must face

from a large number of aggressive local concrete construction companies. Moreover, Canadian wood-frame housing exporters must learn to cope with the negative image this type of construction earned from the poor social construction projects 15 years ago. The present struggling economic climate in France and its impact on the construction industry make it even more difficult to enter the market.

High unemployment has led to falling housing prices and a drastic decrease in the demand for new construction projects.

Over the years, Canadian home builders, as opposed to the French, have developed renown expertise in building site management for wood-frame construction. Moreover, local trade workers (electricians, plumbers, carpenters) are not familiar with wood-frame construction techniques and site management. As a result, long delays and increased on-site construction costs become a deterrent for the competitiveness of otherwise price-competitive wood-frame housing. Complementary relationships sharing expertise and market access could be exploited to benefit both the Canadian and French home builders.

Strategic Approach

Participation to key trade exhibitions such as Batimat, COGEM, EQUIPE-BAIE (doors and windows) is the most successful approach to the French market. Products need to be shown and exporters need to participate in fairs and trade shows, supported by demonstrations and mass media promotion. These are the essential elements

of the education process that companies will have to support.

Partnerships with local companies will ensure the transfer and management of appropriate knowledge in connection with local building codes and local bureaucracies responsible for construction project approvals.

Canadian exporters would benefit from working on specific segments of the wood-frame housing market. A good target segment would be the upper class population who, while travelling abroad, have become convinced that wood is a good and upscale construction material. Canadian exporters could also consider turn-key projects where specialized on-site managers would be assigned to wood-frame housing construction sites to deal with the problems linked to the lack of expertise of local tradesmen in this type of construction.

For products such as doors, windows and flooring distributed through local distributor channels, “pull” promotion to builders might be in order. This would subsequently create a demand for the product. As a rule, distributors tend to avoid introducing new or unknown products into the market.

The BATIMAT International Building Exhibition is the major event related to the French housing sector. A biennial event, it is held at Porte de Versailles, in Paris. The exhibition focusses on carcassing, furnishings and building materials, sanitary equipment, and coverings and lighting. The next exhibition is to be held in November 1997.

BUSINESS ENVIRONMENT

Overview

The French commercial environment is generally receptive to North American goods and services. It is dynamic and reflects consumer trends as well as the effect of comparative advantage in an interdependent world market-place. There is a demand for house furnishings and, more recently, in building supplies, hardware and tools.

The complex French society includes a strong market for high-quality, high-tech consumer goods, particularly for its affluent cities where the distribution system still uses independent speciality stores as well as the more modern discount outlets. Specifications, price and quality figure high in industrial purchasing, to which is added the need for just-in-time delivery in an increasingly competitive global market.

The French market is mature, sophisticated and well-served by suppliers from around the world. It is unlikely, therefore, that major business breakthroughs will occur, but, rather, that business opportunities will be created in niche markets.

While French is the official language in France, many business people speak English. Product literature, correspondence and negotiations in the French language provide a distinct advantage over competitors who use only English. It should be noted that other EU suppliers are accustomed to dealing in the French language.

France's climate is temperate which varies somewhat from north to south. Rain is frequent and most experienced travellers carry collapsible umbrellas. Average temperatures in Paris range from 25°C in mid-summer to 6°C in winter. Collar, tie and a dark business suit for men are very useful, especially in Paris. For women, similar attire is appropriate, but it should be noted that women in France do not dress as conservatively as women in North America.

Business Customs

The most important characteristic of French business behaviour is its emphasis on courtesy and

a certain formality. Appointment schedules and hierarchical titles are to be respected and correspondence—whether by mail or by FAX—should be acknowledged promptly. A handshake is customary upon initiating and closing a business meeting, accompanied by an appropriate greeting. Professional attire is expected.

Many French executives place less emphasis on long, heavy business lunches for reasons of health and time. Nevertheless, informal business discussions in restaurants where everyone appreciates a good meal are one of the best ways to promote good working relations.

The workdays abutting the French holidays and vacation periods are not “prime time” for business meetings; this could include the month of August and the several vacation periods between Christmas and Easter.

Business hours in France are generally from 9:00 a.m. to 6:00 p.m. (banking hours from 9:00 a.m. to 4:30 p.m.) Monday through Friday while stores are generally open from 10:00 a.m. to 7:00 p.m., Monday through Saturday. To ensure availability, advance appointments are recommended. The official holidays in France are listed in Table 6.

Table 6:
Holidays

January 1	New Year's Day
March/April	Easter Monday
May 1	Labour Day
May	Veterans' Day (WWII)
May	Ascension Day
June	Whit Monday
July 14	French National Day
August 15	Assumption Day
November 1	All Saints' Day
November 11	Veterans' Day (WWI)
December 25	Christmas Day

Business Infrastructure

The electric current in France is 220 volts AC, 50 cycles. A transformer is needed for most North American electrical equipment and appliances.

Telecommunications to and from Paris compare favourably with those in any large Canadian city. A direct-dial telephone system links France to Canada and most of the world. Calls may be placed through Canada Direct, and charged calling cards issued by the Stentor group of Canadian telephone companies. Most public phones in France are equipped for the convenient pre-paid "Telecartes" (credit cards) available in tobacco shops, post offices and subway or railway stations at 40 francs for 50 units.

The two airports serving Paris—Charles DeGaulle (Roissy) and Orly—are easily accessible by excellent bus (Air France) and rail service. The French railway system is among the best in the world; its efficient network ties in conveniently with public transportation in most French cities.

Buses and the Metro (subway) may be crowded during rush hours but they provide fast and efficient service. A word to the wise, as in many large cities world-wide, one should be alert to the dangers of pick-pockets while in public places.

The French transportation infrastructure is among the most sophisticated in the world, benefitting from technological advances such as the Train à Grand Vitesse (TGV) and from extraordinary investment by the government. The three main entry points for air freight are the Paris airports of Orly and Charles de Gaulle, and Lyon's Satolas airport. A major new freight hub, Europort, is being developed at Vatry, 100 miles east of Paris. France has 12 major maritime ports, many of which are equipped for container ships. The state-owned French rail system is one of the most comprehensive and technologically advanced in the world. The French highway system is excellent and has become an increasingly important part of Europe's overall transportation network.

Distribution and Sales Channels

Considering the host of distribution options available in France, it is important for the would-be exporter to select the method best suited to its product. French buyers generally prefer to

purchase through an intermediary, making sales directly to the end-user a scarce practice.

However, sales of expensive, technically sophisticated goods are an exception to this rule.

Intermediaries may take one of three primary forms under French law: distributor, agent, and salaried representative.

A distributor (concessionaire) is an individual or legal entity who purchases goods directly from a producer for the purpose of resale. The distributor operates independently and is only bound by the written provisions of the distribution agreement. These agreements, however, are subject to specific rules and regulations regarding exclusive distribution and price-fixing.

The conditions of contract termination are an important concern, and vary with the type of distribution agreement. A distribution agreement of specified duration may be terminated at the end of the contract period by either party without prior notification or indemnification. If the termination takes place before the end of the contract period, the terminating party may be sued for breach of contract.

A distribution agreement with an unspecified duration may be terminated by either party without indemnification after a fair notice period, usually six months. The termination of such a contract by the producer without fair notice may be grounds for damage claims by the distributor.

This category covers commercial agents as well as those persons acting as agents but not fulfilling the requisites for commercial agent status.

Unlike distributors, agents do not actually purchase goods for resale; instead, they match up buyers and sellers on a commission basis. All agents exercise their activities in an independent manner, and their principals are exempt from payment of payroll taxes. Agents assume their own fiscal charges (business license tax and value-added tax) and social charges (health insurance, social security and retirement/pension benefits).

Agents with a written contract have the status of commercial agents (agents commerciaux) if they exercise their activity as a sustained independent profession and fulfill the following conditions:

- do not have a written employment contract;

- negotiate sales and purchases on behalf of producers, manufacturers, or dealers; and
- are inscribed in the Tribunal of Commerce registry for commercial agents.

A commercial agent is independent and free to act on behalf of any other firm. However, in the case where the agent wishes to represent one of its principal's competitors, consent of the principal must first be secured.

The principal may justifiably terminate the commercial agent's contract only if the agent shows substantial deficiency in carrying out its obligations. Otherwise, contract termination gives the agent a right to indemnification, often equal to two years' commission.

Persons who do not fulfill all the requirements for commercial agency, and who are not in a position of subordination to the enterprise they represent, are considered agents. Authorization of an agent can be effected by notarial act or private agreement. Either party may terminate the agency agreement at will, but the non-terminating party has a right to indemnification of losses.

Unlike agents, salaried representatives have employment contracts. Salaried representatives and their employers share the burden of payroll taxes contributing to social security, unemployment compensation, and retirement/pension plans.

Whatever their qualifications or title, persons are considered statutory representatives if they exercise their activity as a sustained independent profession and fulfill the following conditions:

- engage in the activity of a sales representative for the account of one or more employers;
- desist from executing commercial operations on their own behalf; and
- institute mutual commitments with employers regarding the nature of the goods or services offered for sale, the region of activity or the category of clients, and the rate of compensation.

Statutory representatives, like all employees, perform their work according to the instructions of their employers and benefit from the system of labour law protection. However, they possess a

special right to indemnification if their employment is unjustly terminated. This indemnity is based on the size and importance of the clientele created by the statutory representative.

Representatives who are subordinate to their employers and who do not fulfill the requisites for statutory representative status fall into a separate category and are considered regular employees.

Joint Venture and Licensing

A joint venture with a French firm having similar commercial interests is one recommended approach. The French government encourages this type of investment and offers a wide range of incentives. In selecting a joint venture partner, the Canadian company must carefully analyze its strengths and weaknesses and search for a firm that offers the appropriate support.

Traditionally, a French joint venture partner strengthens the marketing activities of a foreign firm with its in-place distribution system. In certain industries, French manufacturers have skills that augment those of the foreign partner. Financing is also of special concern. Each joint venture proposal requires special analysis and conditions if it is to be successful.

A joint venture with a French firm that has full French government support can be beneficial as long as manufacturing decisions can be made independently of government involvement.

Establishing an Office

Establishing a subsidiary or branch office in France is also an advisable approach for some industries. The French government encourages the formation of new enterprises and, in conjunction with the Paris chamber of commerce and other chambers throughout the country, offers extensive counselling and assistance to those wishing to set up an office in France. Detailed "how to" guides are available from the various chambers of commerce.

Selling Factors and Techniques

Selling a product or service in France is similar to Canada. Buying decisions are made on the basis of quality, price and after-sales service. The principal difference in France is, in fact, the language. Pending legislation will require that all

advertising, labelling, instructions and promotional programs be in French. At this writing, it is not known if the law will be passed nor how strictly it will be enforced, if it is passed. Consequently, it is strongly recommended that close contact be maintained with the commercial and agricultural sections at the Embassy and arrangements be made for local legal representation.

Advertising and Trade Promotion

There are many newspapers, magazines and technical reports that can be used as an important part of any media or promotional program.

Government Procurement

The French government generally pursues procurement policies in accordance with EU regulations, which call for non-discrimination vis-a-vis foreign firms. In France, procurement regulations do not usually present barriers to entry for foreign firms. However, local political pressure and administrative procedures often favour French companies.

French government procurement comes under the jurisdiction of the Ministry of the Economy, Finance and Budget. The Commission Centrale des Marches (CCM), or Central Procurement Board, has overall responsibility for monitoring compliance with procurement regulations.

France, as a member of the EU, is obliged to follow EU public works regulations which require government purchasing entities to publish tender notices for all public works projects valued at over 5 million ECUs, or approximately US\$5.75 million. Tender notices that exceed this threshold must be published in the Official Journal of the European Community, as well as in the French Bulletin Officiel des Annonces des Marches Publiques.

Access to procurement tenders and bids may also be obtained by subscribing to the Official Journal of the European Community (OJEC), or the Bulletin Officiel des Annonces des Marches Publiques (BOAMP). However, these publications often do not arrive from overseas in a timely manner.

Protecting Your Intellectual Property

Under the French intellectual property rights regime, industrial property is protected by patents, trademarks, and designs and models. By virtue of the Paris Convention regarding industrial property, Canadian nationals are entitled to receive the same protection of industrial property rights in France as French nationals. In addition, Canadian nationals have a "right of priority period" after filing a Canadian patent, trademark, design or model, in which to file a corresponding application in France. This period is 12 months for patents and 6 months for trademarks, designs and models.

There are three types of patent problems: patents of invention (Brevets d'Invention), patents of addition (Brevets d'Addition), and certificates of utility (Certificats d'Utilité). Patents of invention cover all inventions, whereas patents of addition cover supplements to those inventions. Certificates of utility cover all inventions except those of a pharmaceutical nature.

Patents for inventions have a 20-year life span, after which they become part of the public domain. Patents of addition are only valid for the unexpired term of their parent patents. Certificates of utility have a 6-year, non-renewable life span.

Applications for patent registration must be filed with the French National Institute for Industrial Property, the Institut National de la Propriété Industrielle (INPI), before the invention is publicly disclosed.

Patent registration in France requires a French address, which may be obtained through a legal representative in France. A list of patent advisors who can act as legal representatives can be obtained from the French National Association of Patent Advisors, Compagnie Nationale des Conseils en Propriété Industrielle.

Trademark protection can apply to both goods and services. In a general sense, trademarks recognize and protect indicators which serve to distinguish one product or service from similar products or services. A trademark has a 10-year life span and is renewable every 10 years.

Although some designs and models can be protected under patent or copyright procedures, others fall into a category which requires special treatment. Designs or models having an industrial

function, follow patent procedures while designs or models having a purely ornamental function follow copyright procedures. Infringement protection has a 25-year life span, and is renewable for another 25 years. Exclusive proprietary rights to the design or model are acquired through the act of creation itself.

Need for Local Legal Assistance

The French government has recently revised its legal services system. Non-EU lawyers may no longer practise as legal consultants and are required to qualify as “avocats,” on the basis of full-fledged membership in the French bar.

Regulatory Issues

Foreign companies sometimes complain of France’s complex technical standards and of unduly long testing procedures. Testing requirements (which must usually be done in France) and standards sometimes appear to exceed reasonable requirement levels needed to assure proper performance and safety.

The 12 member states of the European Union have established a Community Integrated Tariff (TARIC) system, under which duties are applied to imports from non-EU countries. TARIC was established by the 1958 Treaty of Rome as part of the European Economic Community (EEC).

The duties levied on imports from non-EU countries, including Canada, are moderate. Most raw materials enter duty-free or at low rates, while most manufactured goods are subject to rates of between 5 to 17 percent. Most agricultural product imports are covered by the Common Agricultural Policy (CAP), under which many items are subject to variable levies designed to equalize the prices of imported commodities with those produced in the EU.

France and other EU member states extend varying preferential tariff treatment to imports from the African, Caribbean and Pacific developing countries (under the Lome Conventions), several French and Dutch territories and departments, Turkey, the members of the European Free Trade Association (Austria, Finland, Iceland, Norway, Sweden and Switzerland), Egypt, Morocco, Tunisia, Algeria,

Israel, Malta, Cyprus, Jordan, Lebanon, and Syria. Tariff preferences are also extended to over 100 developing countries under the Generalized System of Preferences (GSP).

The EU tariff schedule is based on the Customs Cooperation Council Nomenclature (CCCN), also referred to as the Harmonized System. This system was introduced to provide a standard tariff classification regime for all products imported and exported throughout the world.

Import duties are calculated on an ad valorem basis, i.e., expressed as a percentage of the value of the imported goods. This dutiable value is the “transaction value” plus freight, insurance, commissions, and all other charges and expenses incidental to the sale and delivery of the goods to the point of entry into EU customs territory. The invoice price will normally be accepted as the transaction value if the seller and the buyer are not related.

In addition to the duties levied under the Common External Tariff, goods imported into France are also subject to a value added tax (VAT).

Currently, the VAT in France is generally charged at the standard rate of 18.6 percent. VAT must be added to the price of all goods and services sold in France in connection with an industrial or commercial activity. The supplier of any goods or services bills his customer at his selling price, plus the amount of VAT at the applicable rate. The supplier collects the full amount, subtracts his own VAT expenditures from the total amount of VAT collected, and periodically pays the difference to the tax authorities.

There has been an enormous increase in the number of French firms certified under ISO 9000 and in the demand that suppliers be ISO 9000 certified. While EU and French legislation do not make ISO 9000 certification mandatory, the quality management standard is becoming a defacto commercial requirement for doing business in France and the EU.

EDC Financial Risk Assessment

The Export Development Corporation (EDC) helps Canadian companies compete in world markets through the provision of financial and risk management services. These include export credit

insurance, financing to foreign buyers of Canadian goods and services, and guarantees.

The following information was obtained from the EDC Country Risks and Opportunities book (fall, 1996).

Current Market Conditions

France has been flirting with recession for a year. The economy experienced two flat quarters in mid-1995 followed by a steep decline in the fourth quarter of 1995 and, though there was an unexpected sharp rise in the first quarter of 1996, there was another decline in the second quarter. The current deflationary economy is characterized by static consumption, high precautionary savings, stagnant production levels, substantial de-stocking, record high unemployment and record low consumer confidence. Growth in the second half of 1996 was expected to be helped by recent cuts in interest rates, the need to rebuild stocks and an anticipated rise in consumer spending to buy new cars ahead of the expiry of a government incentive scheme at the end of September 1996. However, the economy could weaken again in the fourth quarter after the close of the auto program, leaving France on shaky footing as it enters 1997. Growth in 1997 is dependent on progressively strengthening demand in Europe.

The government's tax reduction scheme for 1997 amounts to a tax shuffle. Designed to snap the country out of its mood of pessimism, the announced Fr.25 billion. (\$4.9 billion) in income tax cuts to take effect in 1997 will be partially financed through Fr.12 billion to Fr.17 billion, in higher taxes on savings, alcohol, cigarettes and petrol. Although the government has already implemented deficit reducing measures, the Organization for Economic Co-operation and Development (OECD) projects that France's total public deficit will fall at a slower rate than expected by the government, declining to 4.3 percent in 1996 and 3.7 percent in 1997, overshooting the Maastricht target of 3 percent. Any additional austerity measures will run the risk of braking economic growth in 1997, potentially precipitating a renewed assault on the French franc, forcing interest rates to rise.

Households are beset with pessimistic expectations. While good growth is expected in

mobile telephones and computers, spending on durable goods will remain depressed. A modest recovery is expected in residential investment spending.

Capital goods demand is weak and is expected to remain volatile. major investment programmes are being put off. Available capital spending mainly covers improvements in productivity or is to replace obsolete capacity.

Credit Quality Trends

Business failures are on the rise in the 1996. As a consequence of steadily deteriorating economic conditions, there was a spectacular increase in business failures in the first half of 1996, when 34,000 small- and medium-sized companies went bankrupt. This was an 11.6 percent increase on the same period last year and a 16.7 percent rise on the previous six months.

The financial health of corporate France has weakened. Following a reasonably good performance in 1995, the National Statistics Institute (INSEE), reported that liquidity of French corporate treasuries worsened in the second half of 1995. Leading firms' results were generally mediocre in the first half of 1996. The fall in interest rates was insufficient to offset a lack of strength in operating results which were hurt by poor sales volumes. Although businesses are still in good shape in terms of cash flow and productivity, they are coming under increased pressure in face of stagnant domestic (particularly consumer) demand and slow export demand. Current debt levels and interest rates are not of particular concern in their spending plans. However, the deterioration in late 1996 in corporate treasuries, the fall in capacity utilization levels below 84 percent and the moderation in the outlook for sales, have all contributed to a drastic reduction in investment spending intentions.

French financial analysts have further downgraded their expectations for 1996 and 1997 corporate earnings. According to a semi-annual survey by the French group, Associes en Finance, a total of 39 percent saw an improvement in net profits for 1996, down from 44 percent previously, while 18 percent saw a fall compared to 12 percent. A total of 52 percent saw an improvement in sales compared to 58 percent previously, while 15 percent saw a fall compared to 9 percent.

Nevertheless, there appeared to be a rise in demand for credit, with 61 percent planning to finance investments mostly through borrowing and 35 percent expecting to be mainly self-financing, against 51 percent and 47 percent respectively in the previous survey.

Commercial banks have suffered a decline in profitability in recent years owing to large losses, high running costs and sectoral structural problems. Banks have lost 60 billion francs (\$11.6 billion) from 1993 to 1995, as a result of bankruptcies in small- and medium-sized firms. An additional factor in the commercial banks' decline is the collapse in demand from the corporate sector. The OECD also warned that

France's financial sector, hit by a property slump, still faces problems, though the recent fall in interest rates should underpin a return to profitability. However, the current level of provisions still does not cover all the doubtful credits as the real estate market has softened again and the restructuring of the banking sector is advancing only slowly.

Collection Experience

Open accounts are the usual trading terms. EDC's overall experience is good. Some caution is advised when extending credit in view of the still high levels of business failures. Risks in the construction sector remain high.

Canada Mortgage and Housing Corporation

Housing Export Centre

700 Montreal Road
Ottawa, Ontario K1A 0P7

Tel.: 1-800-465-6212 or
(613) 748-2000
Fax: (613) 748-2302

Canadian Government Departments and Services

Department of Foreign Affairs and
International Trade (DFAIT)

InfoCentre
Lester B. Pearson Building
125 Sussex Drive
Ottawa, ON K1A 0G2

Tel.: 1-800-267-8376 or
(613) 944-4000
Fax: (613) 996-9709
FaxLink: (613) 944-4500
InfoCentre Bulletin Board:
Tel.: 1-800-628-1581 or
(613) 944-1581

Tel.: (613) 996-2363
Fax: (613) 995-5772

Canadian Commercial Corporation (CCC)

Europe Trade Division
Western Europe (REN)
125 Sussex Drive
Ottawa, ON K1A 0G2

Tel: (613) 996-0034
Fax: (613) 995-2121

Canadian Embassy in France

35, avenue Montaigne
75008 Paris, France

Tel.: (011-33-1) 44-43-29-00
Fax: (011-33-1) 44-43-29-98

Consulate of Canada

Bonnel-Part-Dieu Building
74, rue de Bonnel, 3rd Floor
69428 Lyon Cedex 02, France

Tel.: (011-33) 72-61-15-25
Fax: (011-33) 78-62-09-36

International Trade Centres

Newfoundland

International Trade Centre
P.O. Box 8950
Atlantic Place
215 Water Street
Suite 504
St. John's, NF A1B 3R9

Tel.: (709) 772-5511
Fax: (709) 772-5093

Prince Edward Island

International Trade Centre
P.O. Box 1115
Confederation Court Mall
134 Kent Street
Suite 400
Charlottetown, PE C1A 7M8

Tel.: (902) 566-7443
Fax: (902) 566-7450

Nova Scotia

International Trade Centre
P.O. Box 940, Station M
1801 Hollis Street
Halifax, NS B3J 2V9

Tel.: (902) 426-7540
Fax: (902) 426-5218

New Brunswick

International Trade Centre
1045 Main Street
Unit 103
Moncton, NB E1C 1H1

Tel.: (506) 851-6452
Fax: (506) 851-6429

Quebec

International Trade Centre
5 Place Ville-Marie
Seventh Floor
Montreal, PQ H3B 2G2

Tel.: (514) 283-6328
Fax: (514) 283-8794

Ontario

International Trade Centre
Dominion Public Building
1 Front St. West
Fourth Floor
Toronto, ON M5J 1A4

Tel.: (416) 973-5053
Fax: (416) 973-8161

International Trade Centres (cont'd)

Manitoba	International Trade Centre P.O. Box 981 330 Portage Avenue 8th Floor Winnipeg, MB R3G 2V2	Tel.: (204) 983-5851 Fax: (204) 983-3182
Saskatchewan	International Trade Centre The S.J. Cohen Building 119-4th Avenue South Suite 401 Saskatoon, SK S7K 5X2	Tel.: (306) 975-5315 Fax: (306) 975-5334
Alberta <i>* Edmonton office is also responsible for Northwest Territories</i>	International Trade Centre Canada Place 9700 Jasper Avenue Room 540 Edmonton, AB T5J 4C3 510-5th Street S.W. Suite 1100 Calgary, AB T2P 3S2	Tel.: (403) 495-2944 Fax: (403) 495-4507 Tel.: (403) 292-4575 Fax: (403) 292-4578
British Columbia <i>*Vancouver office is also responsible for the Yukon</i>	International Trade Centre 300 West Georgia Street Suite 2000 Vancouver, BC V6B 6E1	Tel.: (604) 666-0434 Fax: (604) 666-0954

Export Development Corporation (EDC)

Ottawa	151 O'Connor Street Ottawa, ON K1A 1K3	Tel.: (613) 598-2500 Fax: (613) 237-2690
Vancouver	One Bentall Centre 505 Burrard Street Suite 1030 Vancouver, BC V7X 1M5	Tel.: (604) 666-6234 Fax: (604) 666-7550
Calgary	510-5th Street S.W. Suite 1030 Calgary, AB T2P 3S2	Tel.: (403) 292-6898 Fax: (403) 292-6902
Winnipeg <i>*office also serves Saskatchewan</i>	330 Portage Avenue Eighth Floor Winnipeg, MB R3C 0C4	Tel.: (204) 983-5114 Fax: (204) 983-2187
Toronto	National Bank Building 150 York Street Suite 810 P.O. Box 810 Toronto, ON M5H 3S5	Tel.: (416) 973-6211 Fax: (416) 862-1267
London	Talbot Centre 148 Fullarton Street Suite 1512 London, ON N6A 5P3	Tel.: (519) 645-5828 Fax: (519) 645-5580
Montreal	Tour de la Bourse 800 Victoria Square Suite 4520 P.O. Box 124 Montreal, PQ H4Z 1C3	Tel.: (514) 283-3013 Fax: (514) 878-9891
Halifax	Purdy's Wharf, Tower 2 1969 Upper Water Street Suite 1410 Halifax, NS B3J 3R7	Tel.: (902) 429-0426 Fax: (902) 423-0881

France Government Offices in Canada

Embassy of France	42 Sussex Drive Ottawa, ON K1M 2C9	Tel.: (613) 232-1795 Fax: (613) 232-4302
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France Government Offices in Canada (cont'd)

Consul General of France	10010 – 106 Street Suite 300, Highfield Place Edmonton, AB T5J 3L8	Tel.: (403) 428-0232/0235 Fax: (403) 426-1450
Consul General of France	Suite 2601 Montreal, PQ H3B 4S3	Tel.: (514) 878-4381 Fax: (514) 861-4614
French Trade Commissioner	1000, rue de la Gauchetiere Suite 2710 Montreal, PQ H3B 4W5	Tel.: (514) 878-9851 Fax: (514) 878-3677
Consul General of France	1110 av des Laurentides Quebec, PQ G1S 3C3	Tel.: (418) 688-0430 Fax: (418) 688-1263
Consul General of France	130 Bloor St. West Suite 400 Toronto, ON M5S 1N5	Tel.: (416) 925-8041/8233 Fax: (416) 925-3076
French Trade Commissioner	20 Queen St. West Suite 2004 Toronto, ON M5H 3R3	Tel.: (416) 977-1257 Fax: (416) 977-7944
Consul General of France	736 Granville Street Suite 1201 Vancouver, BC V6Z 1H9	Tel.: (604) 681-4345 Fax: (604) 681-4287
French Trade Commissioner	750 West Pender St. Suite 601 Vancouver, BC V6C 2T7	Tel.: (604) 684-1271 Fax: (604) 684-2359

Multilateral Organizations

World Bank	Washington, DC 20433 U.S.A.	Tel.: (202) 477-1234 Fax: (202) 477-6391
Office for Liaison with International Financial Institutions	Canadian Embassy 501 Pennsylvania Avenue N.W. Washington, DC 20001	Tel.: (202) 682-7719 Fax: (202) 682-7726

Business and Professional Organizations in Canada

Chambre de commerce francaise au Canada	360, rue Saint-Francois-Xavier Montreal, PQ H2Y 2S8	Tel.: (514) 281-1246 Fax: (514) 289-9594
Chambre de commerce francaise au Canada-Ontario	130 Bloor St. West Toronto, ON M5S 1N5	Tel.: (416) 921-2910
Alliance of Manufacturers and Exporters Canada	99 Bank Street, Suite 250 Ottawa, ON K1P 6B9	Tel.: (613) 238-8888 Fax: (613) 563-9218

Major French Banks in Canada

Banque Nationale de Paris (Canada)	Tour BNP 1981 McGill College Avenue Montreal, PQ H3A 2W8	Tel.: (514) 285-6000 Fax: (514) 285-6278
Regional Offices:		
Immeuble La Solidarite	925, Chemin Saint-Louis Suite 350 Quebec, PQ G1S 1C1	Tel.: (418) 684-7575 Fax: (418) 684-7585
	36 Toronto Street Suite 750 Toronto, ON M5C 2C5	Tel.: (416) 360-8040 Fax: (416) 947-3541
	700 West Pender Street Suite 1201 Vancouver, BC V6C 1G8	Tel.: (604) 688-2212 Fax: (604) 688-4613

Major French Banks in Canada (cont'd)

Credit Lyonnais Canada

2000 rue Mansfield
Montreal, PQ H3A 3A6

Tel.: (514) 288-4848
Fax: (514) 288-5679

Regional Offices:

PO Box 190, One Financial Place
One Adelaide Street East, Suite 2505
Toronto, ON M5C 2V9

Tel.: (416) 947-9355
Fax: (416) 947-9471

Bow Valley Square 1, Suite 1670
202 – 6th Avenue S.W.
Calgary, AB T2P 2R9

Tel.: (403) 263-1080
Fax: (403) 263-4095

Canadian Banks with European Regional Offices

Bank of Montreal

D-6000 Frankfurt am, Main 17
Ulmenstrasse 37-39
Frankfurt, Germany 710104

Canadian Imperial Bank of
Commerce
European Operations Office

Cottons Centre
Cottons Lane
London, SE1 2QL, England

Tel.: (011-441-71) 234-6000

National Bank of Canada
Paris Representative Office

123, avenue des Champs-Élysées
Paris, France 75008

Royal Bank of Canada Europe
Limited

29, rue de la Bienfaisance
75008, Paris, France

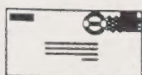
The Toronto-Dominion Bank

Triton Court
14/18 Finsbury Square
London, England EC2A 1DB

Hongkong Bank of Canada

10 Lower Thames Street
PO Box 506
London, England EC3R 6AE

HOUSING EXPORT OPPORTUNITIES SERIES ORDER FORM



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Outside Canada call
1-613-748-2003



FAX TO
1-800-245-9274
Outside Canada
1-613-748-2016

CMHC
P.O. Box 35005
Stn BRM B
Toronto, ON
M7Y 6E5

Charge to VISA, American Express or MasterCard.

To avoid double billing, please do not send confirmation.

VISA, American Express, and MasterCard.

To avoid double billing, please do not send confirmation. A fax will be treated as an original order.

Please Print

Name		
Company or Organization	Position Title	
Address		
City	Province/State/Country	Postal/Zip Code
Telephone Number ()	Fax Number ()	

METHOD OF PAYMENT

<input type="checkbox"/>	Please charge my
VISA <input type="checkbox"/>	American Express <input type="checkbox"/> MasterCard <input type="checkbox"/>
Card Number	
Expiry Date	
Signature	
<input type="checkbox"/>	Payment enclosed \$ _____
Please make cheque or money order payable to CMHC	

To Complete See Example on Reverse Side

ORDER NUMBER	REPORT TITLE Please be sure the order number and report title match the listing	<div>1</div> QTY	<div>2</div> ITEM AMOUNT \$	<div>3</div> TOTAL \$ AMOUNT <div>1</div> x <div>2</div>	<div>4</div> SHIPPING POINTS	<div>5</div> TOTAL SHIPPING POINTS <div>1</div> x <div>4</div>
					3	
					3	
					3	
					3	
					3	
					3	
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					3	

TAX TABLE

7% GST applicable to all items. PST/HST/GST applicable to shipping. for PEI and Québec, PST is calculated on shipping plus GST.

U.S. and International orders, please pay subtotal C in U.S. funds.

Province	GST	PST	HST
Alberta	7% of C	—	—
B.C., Manitoba, & Sask.	7% of C	7% of B	—
Ontario	7% of C	8% of B	—
N.B., N.S., NF	7% of A	—	15% of B
Québec	7% of C	6.5% of B + GST	—
P.E.I.	7% of C	10% of B + GST	—

GST Registration # 100756428

Subtotal Column 3	A	<div>Subtotal Column 5</div> <div>Refer to Shipping and Handling Charges on the back of this form for the shipping and handling amount.</div> <div>SEE EXAMPLE ON REVERSE</div>
ADD Shipping & Handling Regular Mail <input type="checkbox"/> Courier <input type="checkbox"/>	B	
Subtotal (Add A + B)	C	
Appropriate Taxes (refer to table at left)	D	
Total (Add C + D)	E	

Shipping and Handling Charges

Points	Canada Regular Rates	Canada Courier Rates	U.S. Regular Air Rates	U.S. Courier Rates	International Regular Air Rates	International Courier Rates	Europe Courier Rates
1	2.55	5.00	5.00	11.00	7.00	24.00	19.00
2	3.65	8.00	6.50	14.00	9.00	30.00	25.00
3 to 5	5.80	11.07	8.11	30.75	12.18	63.75	47.75
6 to 10	6.18	11.07	12.46	34.75	20.61	88.75	55.75
11 to 20	6.43	12.35	18.08	42.75	38.77	118.75	71.75
21 to 40	6.94	14.90	23.81	58.75	64.65	193.75	103.75
41 to 60	7.44	17.62	29.48	74.75	68.12	253.75	129.75
61 to 80	7.95	20.51	35.15	90.75	117.36	313.75	149.75
81 to 100	8.45	23.35	40.92	106.75	146.60	373.75	169.75
101 to 120	8.96	26.20	46.59	120.75	166.71	433.75	189.75
121 to 140	9.46	29.05	52.31	134.75	184.72	493.75	209.75
141 to 160	9.97	31.90	58.00	148.75	207.45	553.75	229.75
161 to 180	10.47	34.75	63.71	162.75	228.92	613.75	249.75
181 to 200	10.98	35.60	69.38	176.75	250.29	658.75	269.75
201 to 220	11.48	40.45	75.05	190.75	N/A	718.75	289.75
221 to 240	11.99	43.30	80.72	204.75	N/A	778.75	309.75
241 to 260	12.49	46.15	86.49	218.75	N/A	838.75	329.75
261 to 280	13.00	49.00	92.21	232.75	N/A	901.75	349.75
281 to 300	13.50	51.85	97.88	246.75	N/A	958.75	369.75
Estimated Delivery times	2-3 weeks	5-10 days	2-3 weeks	5-10 days	4-8 weeks	12 days	12 days

Prices Subject to Change

CMHC Return Policy

We will replace damaged materials and correct shipping errors if we are notified within thirty days after you receive your shipment. If an item is not defective or not mistakenly shipped, then it must be returned by you at your cost within thirty days of receipt. It must arrive here in resaleable condition for you to receive credit.

International Note: Most international return shipments arrive damaged. If you received damaged items, contact CMHC at (613) 748-2969. Please do NOT return the damaged items unless we ask.

Example: To complete order form and determine shipping and handling charges

ORDER NUMBER	REPORT TITLE <small>Please be sure the order number and report title match the listing</small>	[1] QTY	[2] ITEM AMOUNT \$	[3] TOTAL AMOUNT [1] x [2]	[4] SHIPPING POINTS	[5] TOTAL SHIPPING POINTS [1] x [4]
NHA 8003	Brazil	1	35.-	35.-	3	3
NHA 8033	South Korea	2	35.-	70.-	3	6
					3	
					3	

<p style="text-align: center;">TAX TABLE</p> <p>7% GST applicable to all items. PST/HST/GST applicable to shipping. for PEI and Québec, PST is calculated on shipping plus GST.</p> <p>U.S. and International orders, please pay subtotal C in U.S. funds.</p> <table style="width: 100%;"> <tr> <th>Province</th> <th>GST</th> <th>PST</th> <th>HST</th> </tr> <tr> <td>Alberta</td> <td>7% of C</td> <td>-</td> <td>-</td> </tr> <tr> <td>B.C., Manitoba, & Sask.</td> <td>7% of C</td> <td>7% of B</td> <td>-</td> </tr> <tr> <td>Ontario</td> <td>7% of C</td> <td>8% of B</td> <td>-</td> </tr> <tr> <td>N.B., N.S., NF</td> <td>7% of A</td> <td>-</td> <td>15% of B</td> </tr> <tr> <td>Québec</td> <td>7% of C</td> <td>6.5% of B + GST</td> <td>-</td> </tr> <tr> <td>P.E.I.</td> <td>7% of C</td> <td>10% of B + GST</td> <td>-</td> </tr> </table> <p><small>GST Registration # 100756428</small></p>	Province	GST	PST	HST	Alberta	7% of C	-	-	B.C., Manitoba, & Sask.	7% of C	7% of B	-	Ontario	7% of C	8% of B	-	N.B., N.S., NF	7% of A	-	15% of B	Québec	7% of C	6.5% of B + GST	-	P.E.I.	7% of C	10% of B + GST	-	<table> <tr> <td>Subtotal Column 3</td> <td style="text-align: right;">A 105.-</td> </tr> <tr> <td>ADD Shipping & Handling Regular Mail <input checked="" type="checkbox"/> Courier <input type="checkbox"/></td> <td style="text-align: right;">B 6.18</td> </tr> <tr> <td>Subtotal (Add A + B)</td> <td style="text-align: right;">C 111.18</td> </tr> <tr> <td>Appropriate Taxes (refer to table at left)</td> <td style="text-align: right;">D 7.78</td> </tr> <tr> <td>Total (Add C + D)</td> <td style="text-align: right;">E 118.96</td> </tr> </table>	Subtotal Column 3	A 105.-	ADD Shipping & Handling Regular Mail <input checked="" type="checkbox"/> Courier <input type="checkbox"/>	B 6.18	Subtotal (Add A + B)	C 111.18	Appropriate Taxes (refer to table at left)	D 7.78	Total (Add C + D)	E 118.96	<table> <tr> <td>Subtotal Column 5</td> <td style="text-align: center; border: 2px solid black; font-size: 1.2em;">9</td> </tr> </table> <p style="font-size: 0.8em;">Refer to Shipping and Handling Charges on the back of this form for the shipping and handling amount.</p>	Subtotal Column 5	9
	Province	GST	PST	HST																																						
	Alberta	7% of C	-	-																																						
	B.C., Manitoba, & Sask.	7% of C	7% of B	-																																						
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